



How Secure is Social Security?

Student Handout

Group 4: SOLUTION PROVIDERS

Your group will list and explain several different proposals to address the Social Security problem. You are encouraged to develop visual aids to assist in your presentation. Review the potential solutions for Social Security at <http://www.ssa.gov/pubs/10055.html#choices> to prepare your presentation. Additional information can be found at <http://washingtontimes.com/upi-breaking/20040419-123716-5298r.htm>

Review each of the following suggested solutions from the source links above. Your presentation should describe each solution, provide an example of how each will work to address the problem, and what critics say about each suggested solution:

- Reduce benefits or slow down their increases
- Raise the payroll tax rate above 12.4%
- Raise the payroll tax cap above the first \$90,000 in a wage-earner's salary
- Raise the taxes on Social Security benefits
- Raise the retirement age
- Levy an additional tax on state and local governments
- Government invests Social Security reserves in stocks and bonds.